

## Remarks

The Final Office Action mailed August 10, 2007 has been carefully considered. Apparatus Claims 1, 2, 9 and 38; 53, 54, 57, 58 and 60; 77, 84, 113, 129, 131, 132 and 134; and Method Claims 151; 152; and 153 were previously amended to further define the payment engine of the present inventions. Thus, apparatus Claims 1-52; 53-76; and 77-150; and corresponding method Claims 151; 152; and 153 remain in the case with none of the claims having been allowed.

The Final Office Action has rejected Claims 1-153 as being unpatentable under 35 U.S.C. 103 by U.S. Patent No. 6,826,542 to Virgin *et al.* ("Virgin") in view of U.S. Patent No. 6,052,674 to Zervides ("Zervides"). Reconsideration and allowance is respectfully requested in view of the following remarks. Previous amendments have been made consistent with co-pending application U.S. Serial No. 11/105,737, which is a continuation of commonly owned U.S. Patent No. 6,044,362 issued to Neely on March 28, 2000.

U.S. Patent No. 6,826,542 to Virgin *et al.* is a central invoicing system. Customers (payors) and invoicers can use the central invoicing system by connecting to it by a network, such as the Internet, and using an interaction device, such as a personal computer with web browsing software. Customers can create, on the central invoicing system, a list of invoicers from whom they wish to receive invoices. The system sends invitations, including a user name and password, to the selected invoicers to enroll with the central invoicing system. The system provides invoicers with a facility to enroll with the central invoicing system over the Internet. Customers can also customize the format of the invoices they are to receive from the selected invoicers.

The central invoicing system stores each customer's particular invoicing format on a server. The system allows an invoicer to connect to the system through the Internet to create invoices. The invoicer can then submit that invoice to the customer through the system. The system formats the invoice according to the customer's desired invoice format and transmits the invoice to the customer's financial system. The system may also retain the invoice on the server and notify the appropriate customer.

Once notified, the customer may access the central invoicing system to view, process, and approve the invoice. If the customer approves the invoice, the invoice is transmitted to the customer's financial system.

First, the Virgin system does not have a payment system associated with it. Payments appear to be made conventionally. The Examiner combines Zervides with Virgin to attempt to provide the payment engine.

The present inventions, as previously amended, included details of its payment engine and includes means for receiving an electronic invoice that is created by or on behalf of said invoicers from customer billing data and stored on a server and only extracted by or on behalf of said invoicers for customer review and a request for payment instructions from or on behalf of said invoicers. As shown in Figure 113B, a webserver 102 hosts an interactive session in which the customer accesses their invoice. (Page 27, lines 27-28) No data is downloaded onto the customer's computing unit, which includes billing information necessary to construct a complete invoice. This information is stored on the webserver and only extracted by or on behalf of said invoicers for customer review. (Page 27, lines 32-33) See, e.g. although the invoicer could host this server application itself, a preferred embodiment anticipates that an invoicer may choose to outsource webserver hosting or webserver and remittance processing to an outside company on behalf of the invoicer. (Page 28, lines 23-28)

In contrast, the Zervides reference discloses an electronic bill presentment and payment system wherein an invoice prepared by a separate Supplier may be transmitted across a public network to a customer. This appears similar to conventional 3<sup>rd</sup> party systems such as Hite 5,465,206 cited by Zervides. Thus, the invoice itself must first be created by the Supplier and then sent to the EICS to be presented by EICS to the customer. The EICS does not create the invoice in the Zervides reference which is inconsistent with Virgin.

Thus, Zervides does not expressly teach that the electronic invoice is "only stored on a server by or on behalf of said invoicer from customer billing data". It is respectfully submitted that the rejection under 35 USC 103 also is moot in view of the previous amendments whereby the claim language in each pending independent claim "stored on a server and only extracted by or on behalf of said invoicer" clearly means that only the invoicer or an entity acting on his/her behalf can store the electronic invoice data on the server. Since this is not the case with Zervides where the customer receives an invoice prepared by the Supplier and only forwarded by the

EICS, it is respectfully submitted that it would completely destroy Zervides to modify it the way proposed by the Examiner. Thus, it is respectfully submitted that the claims, as amended, are patentable over the cited references and consistent with recent holdings by the Supreme Court.

Second, Virgin permits *"Once notified, the customer may access the central invoicing system to view, process, and approve the invoice. If the customer approves the invoice, the invoice is transmitted to the customer's financial system."* To the contrary, the present inventions specifically prevent any direct access to the central invoicing system and only allow the customer to send payment instructions by *(iv) transmit the customer payment instructions from the customer to each of the invoicers or entities acting on behalf of said invoicers*. As can be appreciated, this additional level of security acts to prevent hackers from having access to the central invoicing system while falsely posing as a "customer".

The Applicant submits that by this response, he has placed the case in condition for immediate allowance and such action is respectfully requested. However, if any issue remains unresolved, Applicant's attorney would welcome the opportunity for a telephone interview to expedite allowance and issue.

Respectfully submitted,



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